EXECUTIVE SUMMARY

The Office of Technology Transition (OTT) was created by the Secretary of Defense in response to 10 U.S.C. 2515 to serve as a focal point for the domestic technology transfer activities of the Department of Defense. This report, required by legislation, summarizes OTT accomplishments for FY 2000.

OTT provides leadership, oversight, and focus for programs supporting the technology transfer mission of the Department. Specific activities discussed in this report are:

- Provided leadership for the DoD Technology Transfer Program.
 - Developed policy for technology transfer activities at the Federally Funded Research and Development Centers.
 - Identified the technology transfer mechanisms being used within the Military Services and Defense Agencies
 - Continued supporting the Federal Laboratory Consortium with 10 DoD representatives serving in elected and nonelected positions. Additionally, five teams of DoD scientists and engineers won the Federal Laboratory Consortium Annual Awards for Excellence in Technology Transfer and one person won the FLC Representative of the Year Award.
- Managed the DoD Dual Use Science and Technology (DU S&T) Program.
 - Thus far, more than 400 companies, universities, and nonprofits are participating in the Program. With a total value of over \$1.0B, 327 DU S&T projects have been initiated.
- Managed the Office of the Secretary of Defense, Deputy Under Secretary of Defense (Science and Technology) Small Business Innovation Research (OSD DUSD(S&T) SBIR) Program.
 - There are two priority technology areas in the investment strategy planning for the OSD DUSD(S&T) SBIR Program: Cognitive Readiness and Smart Sensor Web.
 - The OSD DUSD(S&T) SBIR Program and Defense Health Program
 Office SBIR Program are jointly sponsoring a biomedical technology area.
- Provided oversight for the DoD Manufacturing Technology Program.
 - The annual Defense Manufacturing Conference continues to be a premier activity with over 700 leaders from government, industry, and academia attending the 2000 conference in Tampa, FL.
 - Two programs received this year's Defense Manufacturing Technology Achievement Award which recognizes Defense and private sector individuals responsible for developing innovative manufacturing processes that improve the affordability, cycle time, or readiness of Defense weapon systems or components.

- Directed the collection and dissemination of technology transfer information by the Defense Technical Information Center (DTIC).
 - As of December 31, 2000, the Defense Technology Transfer Information System (DTTIS) contained project information on 3,960 DoD Technology Transfer Activities, including 2,248 active Cooperative Research and Development Agreements and 201 active Patent License Agreements.
 - DTIC maintains the Independent Research & Development (IR&D)
 database with project description and financial information reflecting IR&D
 efforts conducted by Defense contractor activities.
- Coordinated the Independent Research and Development (IR&D) Program.
 - Annual IR&D investment by major defense contractors has averaged \$2.9B since 1995.
 - During FY 2000, an action plan to revitalize the IR&D Program was developed with input from industry. Implementation is a shared responsibility and has started.
- Provided direction and oversight for the Defense Production Act Title III Program.
 - A key objective of the Title III Program is to accelerate the transition of new leading edge technologies from R&D to affordable production and to insert those technologies into defense systems.
 - In FY 2000, DoD initiated three Title III projects, began development of two others, and completed one project.
- Provided Direction and oversight for the Commercial Operations and Support Savings Initiative (COSSI).
 - COSSI has provided over \$160M for 60 projects since the program began in 1997. Contractors have provided an additional \$117M.
 - Seven COSSI projects started in FY 1997 have transitioned into production.

INTRODUCTION

Section 2515 of title 10, United States Code (Appendix A) directs that "The Secretary of Defense shall establish within the Office of the Secretary of Defense an Office of Technology Transition." It further directs that the head of the office will ensure the office will monitor research and development (R&D) activities of the Department of Defense; identify R&D activities that result in technological advances that have potential for non-defense commercial applications; serve as a clearinghouse for, coordinate, and actively facilitate the transfer of such technologies and technological advancements to the private sector; conduct its activities in consultation and coordination with the Department of Energy and the Department of Commerce; and provide private firms with assistance in resolving problems related to technology transfer. It also directs the Secretary of Defense to submit to the Committees on Armed Services and the Committees on Appropriations of the Senate and the House of Representatives an annual report on the activities of the Office at the same time the budget is submitted to Congress by the President. This report responds to that requirement and is the eighth annual report.

In keeping with the integrated planning and process team concept throughout the Department, the activities of the Office are conducted with the consultation, support, and active participation of personnel in the Military Departments and Defense Agencies. The ultimate goal is to achieve technically superior, affordable Defense systems while ensuring that technology developed for national security purposes is integrated into the private sector to enhance the national technology and industrial base.

In this report, the Office of Technology Transition is identified with specific programs and projects to support the technology transfer mission of the Department. These programs and projects work well together for this purpose. We note that many of the Military Department and Defense Agency offices and laboratory organizations have co-located and are managing these programs as part of their technology transfer efforts.